

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 2006-112-W - ORDER NO. 2006-350
JUNE 12, 2006

IN RE: Application of Utilities Services of South) ORDER
Carolina, Inc. for Approval of the Transfer of) APPROVING
its Water Utility System and Territory Serving) TRANSFER
the Pleasant Hills Subdivision in Lancaster)
County to the Lancaster County Water and)
Sewer District)

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Application of Utilities Services of South Carolina, Inc. (USSC or the Company) for approval of a proposed transfer of the Company's water utility system serving the Pleasant Hills subdivision in Lancaster County to the Lancaster County Water and Sewer District (LCWSD).

Pursuant to the Commission's Docketing Department, the Company published a Notice of Filing in newspapers of general circulation in the Company's service area. No Protests or Petitions to Intervene were received.

In support of its Application, USSC asserts, among other things, that the public interest will be served by a transfer of this system to LCWSD because the customers have requested such a transfer, the customers will benefit from the greater economies of scale available to LCWSD, the customers will avoid the potential for increased rates by USSC resulting from necessary future improvements to the system if a transfer is not approved,

and the average customer in Pleasant Hills subdivision will not experience a rate increase if the proposed transfer is approved, based upon current LCWSD residential rates.

26 S.C. Code Ann. Regs. 103-704 (Supp. 2005) states, *inter alia*, that no existing public utility supplying water to the public,.....shall hereafter sell...any utility system...without first obtaining from the commission a certificate that the sale...is in the public interest.....

We certainly believe that the present proposed transfer is in the public interest. Clearly, the customers will benefit from the greater economies of scale available to LCWSD, the customers will avoid the potential for increased rates by USSC, since no future improvements will be needed by the Company on that particular system, and, further, the average customer in the Pleasant Hills subdivision will not experience a rate increase if the proposed transfer is approved. In addition, the customers themselves have requested the transfer. Accordingly, we believe that the requisite Certificate should be issued, and the transfer should be approved.

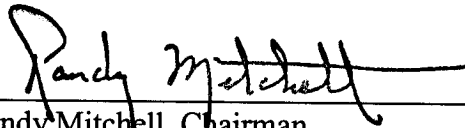
Accordingly, the required Certificate is hereby issued, and the proposed sale is approved as being in the public interest. Further, USSC is authorized to charge its water service customers in Pleasant Hills in accordance with LCWSD's presently approved rates. Furthermore, until such time as the transfer is finalized, USSC and its customers in Pleasant Hills will be subject to the jurisdiction of this Commission. USSC shall notify this Commission when the transfer is finalized.

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This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:



Randy Mitchell, Chairman

ATTEST:



G. O'Neal Hamilton, Vice-Chairman

(SEAL)